

# INFORMATION LETTER

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Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

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## CEILING FOR CANNED AND DRIED FRUITS PUNCTURED

### OPA Administrator Henderson Announces That Formula Providing for 15 Per Cent Increase is Being Prepared

Administrator Leon Henderson of the Office of Price Administration announced in a press statement released July 1, that a formula providing for an estimated 15 per cent increase in retail prices of this season's pack of canned and dried fruits is being prepared by a committee of canners and distributors working with OPA officials.

The higher prices will begin at the canning level and will be passed on to wholesalers, thence to retailers, and, finally, to the buying public, according to the press statement.

The statement further pointed out that the extent of the increase at retail cannot be definitely determined for the various kinds of canned and dried fruits, but it is known that advances of 15 per cent and more will occur in a great many cases. The proposed price increases will apply only to the 1942 pack. Present March prices will prevail until the new packs reach store shelves, it was stated. Mr. Henderson's statement follows:

"It is important that the public have a clear understanding of the facts that compel the Office of Price Administration to allow an increase in the prices of these basic food commodities at a time when we are fighting to prevent the cost of living from getting out of hand.

"The Office of Price Administration, as part of its over-all price control program, established ceilings at the highest March levels, over all canned fruits and most dried fruits at all levels of selling-packer, canner, wholesaler, and distributor.

"However, OPA has not set a ceiling over the prices that growers can charge for the fresh fruit in their transactions with canners and packers. This is because of the special provisions for agricultural commodities contained in Section 3 of the Emergency Price Control Act of 1942. Section 3 forbids the Price Administrator from establishing or maintaining a maximum price for any agricultural commodity that is below the highest of: 110 per cent of parity; the October 1, 1941, market price; the December 15, 1941,

market price; or the average price that prevailed during the period July 1, 1919, to June 30, 1929.

"The 1942 pack of canned and dried fruits is getting under way and will continue for several months. Fruit is ripening rapidly in many sections of the country. It is highly perishable and must be canned or dried promptly lest important supplies are lost.

"The demands of our armed forces and our allies, added to a heavy civilian demand, require a record-breaking production of canned fruits and dried fruits. Much of the total pack will be needed for our troops and sailors and to feed other members of the United Nations. It is a vital part of the war effort.

"Growers' prices for fruit have risen sharply under the parity formula, and because of the standards set in the Price Control Act, cannot be prevented from climbing to levels at least 110 per cent of parity. Canning apricots which

(Continued on page 7081)

### PARITY PRICES FOR VEGETABLES AND FRUITS ANNOUNCED BY AGRICULTURE

#### Statement Gives Prices Below Which Raw Products Ceilings May Not Be Imposed

For the first time, parity price figures computed by the Bureau of Agricultural Economics on fruits and vegetables grown for canning and processing, drying, and for the fresh market, have been made public by the United States Department of Agriculture. The release of these figures also shows, as of June 15, 1942, the probable prices below which maximum price ceilings may not be imposed under the Emergency Price Control Act. The figures were released contemporaneously with publication in the Federal Register of the Secretary of Agriculture's determination of "base periods" upon which these parity prices are computed.

USDA, on June 30, issued a statement entitled "Parity Prices; What They Are and How They Are Calculated" from which the following is reproduced:

The Emergency Price Control Act of 1942 provides that no ceilings or maximum prices "shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture:

"(1) 110 per centum of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 per centum of such comparable price, adjusted in the same manner, in lieu of 110 per centum of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941;

#### Vegetable Price Data Filing Postponed

As forecast in last week's INFORMATION LETTER the Office of Price Administration on July 3 extended until July 15 the date for filing price ceiling and other information required under Maximum Price Regulation No. 152, covering canned vegetables. Forms on which this information is to be filed were mailed to canners about three weeks ago. In postponing the date from July 1, OPA acknowledged that canners had not been given sufficient time in which to prepare the forms.

or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929."

The parity prices used in connection with the Emergency Price Control Act are, of course, the same parity prices as are used in connection with the regular adjustment and

marketing programs of the Department. In addition to providing for parity prices as determined and published by the Secretary of Agriculture, the Price Control Act also provides for grade, location, and seasonal differentials; and that, in the case of any agricultural commodity other than

**Parity and Prices received by Farmers for Agricultural Commodities, June 1942, and Minimum Ceilings under the Emergency Price Control Act**

Commodity	Parity bases and price data		Actual prices		Minimum ceilings under Emergency Price Control Act			
	Base period (a)	Base price	Parity price June 15, 1942	June 15, 1942	1941-42 season average (b)	110 per cent of parity June 15, 1942	Oct. 1, 1941 (c)	July 1919-1929 average (d)
<b>Vegetables for processing:</b>								
Asparagus, dollars per ton	1910-29 (d)	84.00	79.80	....	106.55	87.78	....	(d) 84.00
Beans, lima, dollars per ton	....	(e)	....	....	70.31	....	....	....
Beans, snap, dollars per ton	1910-29 (f)	61.58	58.20	....	51.40	64.35	....	(f) 61.58
Beets, dollars per ton	....	(e)	....	....	12.71	....	....	....
Cabbage, dollars per ton	1910-29 (f)	8.77	8.33	....	9.65	9.16	....	(f) 8.77
Corn, sweet, dollars per ton	1910-29 (f)	14.11	13.40	....	9.70	14.74	....	(f) 14.11
Cucumbers, dollars per bu.	1910-29 (f)	.99	.94	....	.99	1.03	....	(f) .99
Peas, green, dollars per ton	1910-29 (d)	58.90	55.96	....	48.71	61.56	....	(d) 58.90
Pimientos, dollars per ton	1926-29 (g)	39.08	38.69	....	33.72	42.56	....	(g) 39.08
Spinach, dollars per ton	1910-29 (d)	21.33	20.26	....	21.35	22.29	....	(d) 21.33
Tomatoes, dollars per ton	1910-29 (f)	14.98	14.23	....	15.21	15.63	....	(f) 14.98
<b>Strawberries, dollars per crate:</b>								
For fresh consumption	1910-29 (d)	3.88	3.69	....	2.58	4.06	....	(d) 3.88
For processing	1923-29 (h)	2.51	2.48	....	1.82	2.73	....	(h) 2.51
<b>Oranges, on tree, dollars per box:</b>								
For fresh consumption	1910-29	2.52	2.30	1.80	1.48	2.63	2.00	2.53
For processing	1910-29 (i)	.31	.29	1.29	.75	.32	....	(i) .31
<b>Grapefruit, on tree, dollars per box:</b>								
For fresh consumption	1910-29	1.56	1.48	1.36	.59	1.63	1.47	1.56
For processing	1924-29 (j)	.51	.50	.78	.48	.55	....	(j) .51
<b>Lemons, on tree, dollars per box:</b>								
For fresh consumption	1910-29	2.19	2.08	....	2.00	2.29	1.36	2.18
For processing	1910-29 (i)	.17	.16	....	.44	.18	....	(i) .17
<b>Limes, dollars per box.</b>	1910-29 (k)	3.00	3.51	....	2.65	3.86	1.78	(k) 3.00
<b>Apples, dollars per bu. (l)</b>	1909-14	.96	1.46	1.66	.99	1.61	.86	1.46
For canning, dollars per ton	1910-29 (f)	18.33	17.41	....	21.67	19.15	....	(f) 18.33
For drying, dollars per ton (m)	1909-14 (n)	10.42	15.84	....	15.83	17.42	....	(f) 17.92
<b>Peaches:</b>								
Fresh, dollars per bu. (o)	1909-14 (n)	1.14	1.73	....	.89	1.90	....	(f) 1.71
For canning:								
Clingstone, dollars per ton	1909-14 (n)	27.00	41.95	....	48.00	46.14	....	(f) 47.45
Freestone, dollars per ton	1909-14 (n)	24.40	37.09	....	26.00	40.80	....	(f) 34.70
Dried, dollars per ton (p)	1909-14 (n)	95.70	145.46	....	(p) 193.00	160.01	....	(f) 176.00
<b>Pears:</b>								
Fresh, dollars per bu. (q)	1910-29 (f)	1.43	1.36	....	.97	1.50	....	(f) 1.43
For canning, dollars per ton	1910-29 (f)	53.54	50.86	....	41.45	55.95	....	(f) 53.54
Dried, dollars per ton	1910-29 (f)	202.12	192.01	....	130.70	211.21	....	(f) 202.12
<b>Plums:</b>								
Fresh, dollars per ton	1910-29 (f)	74.97	71.22	....	62.28	78.34	....	(f) 74.97
For canning, dollars per ton	1909-14 (n)	20.40	31.01	....	38.00	34.11	....	(f) 30.30
<b>Prunes:</b>								
Fresh, dollars per ton	1910-29 (f)	37.06	35.21	....	25.81	38.73	....	(f) 37.06
For canning, dollars per ton	1910-29 (f)	36.63	34.80	....	25.46	38.28	....	(f) 36.63
Dried, dollars per ton	1910-29 (f)	136.32	129.50	....	70.82	142.45	....	(f) 136.32
<b>Cherries, dollars per ton:</b>								
Sour	1924-29 (j)	136.43	136.64	....	101.24	150.30	....	(j) 136.43
Sweet (r)	1924-29 (j)	157.50	154.35	....	114.64	169.78	....	(j) 157.50
<b>Apricots, dollars per ton:</b>								
Dried	1909-14 (n)	191.80	291.54	....	248.00	320.69	....	(f) 322.80
For canning	1909-14 (n)	40.00	60.80	....	44.69	66.88	....	(f) 66.80
For fresh consumption	1909-14 (n)	40.52	61.59	....	56.40	67.75	....	(f) 74.60
<b>Figs, dollars per ton:</b>								
For fresh use	1924-29 (j)	100.78	98.76	....	55.00	108.64	....	(j) 100.78
For canning	1924-29 (j)	86.92	85.18	....	60.50	93.70	....	(j) 86.92
Dried	1910-29 (f)	99.00	94.05	....	114.00	103.46	....	(f) 99.00
<b>Olives, dollars per ton:</b>								
Canned ripe	1910-29 (f)	119.80	113.81	....	167.00	125.19	....	(f) 119.80
Crushed for oil	1910-29 (f)	36.50	34.68	....	145.00	38.15	....	(f) 36.50
<b>Pineapples, Florida, dollars per box</b>	1924-29 (j)	2.12	2.08	....	2.35	2.29	....	(j) 2.12

(a) Base period designated begins with August in the earlier year and ends with July in the final year, i. e., August 1909-July 1914; August 1910-July 1915, etc. (b) Preliminary. (c) Average of prices on September 15 and October 15, 1941. (d) 10 season averages, 1920-29. (e) No data available prior to fall of 1929. (f) 10 season averages, 1919-28. (g) 3 season averages, 1926-28. (h) 6 season averages, 1924-29. (i) Based on returns for oranges and lemons used for byproducts; 10 season averages, 1919-28. (j) 5 season averages, 1924-28. (k) 9 season averages, 1919-28 excluding 1927 for which data were not available. (l) Primarily for fresh use. (m) California only. (n) 5 season averages, 1909-13. (o) California peaches for fresh use and average prices for all peaches in other States combined. (p) Data for dried peaches relate only to freestone peaches except for the 1941 season price which is weighted average of freestone and clingstone. The 1941 season price for dried freestone peaches was \$195.00 per ton; for dried clingstone peaches \$170.00 per ton. (q) Pacific Coast pears for fresh use and average for all pears in other States combined. (r) Average price of sweet cherries for fresh use and processing; data not available to show breakdown according to use.

the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary "shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities."

This definition of comparable prices, it will be noted, is essentially the same as that contained in Section 4(a) of Public No. 147, except that a public hearing as well as an investigation on the part of the Secretary of Agriculture is required in connection with deciding whether the production or consumption of such commodity has so changed in extent or character since the base period as to call for the establishment of a comparable price rather than the use of the regularly computed parity itself.

The accompanying table summarizes the information available to the Department with respect to parity for agricultural commodities as of June 15, 1942, as well as comparable data for October 1 and December 15, 1941, and average prices for July 1919 through June 1929. The prices and calculations in this table are based upon a review of all farm or local market price data available to the Bureau of Agricultural Economics through June 29, 1942. So far, no comparable price hearings have been held under Section 3(b) of the Emergency Price Control Act, but the adequacy of the several parities as shown in the accompanying table is being studied, and after investigation and hearings such comparable prices as are needed will be established.

Editor's note—The table, which is shown on page 7080, presents only those commodities that are used by, or are of interest to commercial canners.

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last year cost the canners about \$45 a ton, this year can yield to growers \$67 a ton. In addition, canners' labor costs have risen considerably since last season and transportation costs are also higher because of the shipping situation and increased use of railroads.

"The situation is acute. A maximum pack is needed as an essential part of the war program. The higher canning costs are such that the pack cannot move to market. The established ceiling prices leave no working margin for the function of wholesaling and retailing.

"This is a problem directly connected with the war. That it would arise was realized at the time the General Maximum Price Regulation was issued and discussions looking to its solution were begun soon thereafter with fruit canners and distributors. Plans were developed which involved government assistance so that the fruit pack could be moved into marketing channels at prices which would permit the distributing trades to function and at the same time allow growers' prices to reach the levels set in the Price Control Act.

"Arrangements which would have permitted the Government to arrange this wartime operation could not be made. There can be no further delay without serious threat to the ripening fruit pack. Consequently, we have been compelled to drop our plans for Government aid and to begin work on a formula that will, in effect, pass on to the public the higher costs—and no more—that are involved in canning and drying the 1942 fruit pack.

"This is not a satisfactory solution. It is inflationary. It translates into retail price increases a burden that the government might properly assume as a charge connected

with the war. And this burden of higher prices for canned and dried fruits will not be shared equally. It will fall heaviest on large families, especially in the low and middle income groups.

"Inability to complete successfully a plan that would have prevented an inflationary increase in retail prices of the 1942 canned and dried fruit pack is a serious set-back in the battle being fought by OPA to maintain stability in the cost of living. We cannot afford any more such losses if we are to prevent a home front disaster that will importantly impair the prosecution of the war."

Among the items that will carry higher prices when the 1942 pack reaches retail store shelves are: canned peaches, pears, apricots, applesauce, fruit juices, raisins, dried apples, dried peaches, dried apricots, and dried pears.

Elsewhere in this issue of the LETTER there will be found figures released by the United States Department of Agriculture showing the parity price as of June 15, for fruits and vegetables for canning, drying, and the fresh market.

## CEILING PRICE CERTIFICATION SUGGESTED

### OPA Advises Buyers to Obtain From Sellers Their Written Assurance as to Price

Suggestion that trade buyers can gain a measure of legal protection from the sanctions of the Price Control Act by obtaining a ceiling price certification from sellers is contained in an interpretation released July 2 by the Office of Price Administration.

The interpretation is in the form of a letter from OPA's legal division in response to an inquiry from the National Association of Purchasing Agents as to the responsibility of buyers in the course of trade or business for observance of OPA's maximum price regulations. (The Emergency Price Control Act of 1942 makes buyers in the course of trade or business equally liable with sellers to prosecution for violation of any regulation or order of the Price Administrator.)

OPA's policy, according to the letter, is to require trade buyers to exercise "good faith and an honest, reasonable judgment." It is suggested that, as evidence of good faith, the buyer obtain from the seller a written certification that the price of the commodity is not in excess of the legal maximum. This certification may be on the face of the sale contract or invoice or in a separate document.

However, the mere possession of such certification does not automatically relieve the buyer of liability, the letter indicates. In addition, he must have no knowledge or reason to believe that the price exceeds the maximum. Other circumstances surrounding the sale, including prior dealings with the same or similar sellers, also enter into consideration of whether or not the buyer acted in "good faith" and exercised "honest, reasonable judgment."

The letter notes that several regulations, including the General Maximum Price Regulation, make it difficult for buyers in some instances to ascertain the legal maximum price. In these cases, it is not OPA's intention to impose an impossible burden on buyers. Also stressed is OPA's desire to minimize the difficulties that may impede the orderly and regular flow of goods, particularly goods essential to the war program.

### No. 10 Solid Pack Apricots Excepted from GMPR

Sales or deliveries of solid pack pie apricots in large 80-ounce No. 10 size cans to the Agricultural Marketing Administration, for Lend-lease purposes exclusively, were excepted from the General Maximum Price Regulation, July 2, by Price Administrator Leon Henderson.

OPA currently is engaged in a study of the fruit canning industry, with a view to formulating a maximum price regulation on canned fruits. Meanwhile, however, AMA wishes to negotiate the purchase of a considerable quantity of solid pack pie apricots, which are solidly packed in large-size cans without syrup. In order to expedite these negotiations, prior to issuance of the OPA canned fruit regulation, the Administrator excluded such purchases from GMPR by Amendment No. 6 to Supplementary Regulation No. 4, effective July 2, 1942.

Reflecting increased costs to canners, OPA recognizes the necessity of a ceiling price that will enable AMA to purchase such a large quantity as 840,000 cases for shipment to our Allies. The individual March 1942 ceiling prices permissible for solid pack pie apricots under the General Regulation—which range around \$6.50 to \$6.75 per dozen—may not be conducive to such large-scale purchases.

However, OPA studies indicate that an \$8 per dozen price f.o.b. at factory, will amply reflect to apricot growers a return for the raw agricultural commodity equal to or in excess of the highest of the four limitations in Section 3A of the Emergency Price Control Act of 1942.

Therefore, OPA suggested that AMA—in spite of its exceptions from the General Regulation on these apricot purchases only—should not pay in excess of \$8 per dozen, without first consulting OPA.

### Army Canned Food Procurement Policy

The War Department announced June 27 its policy relating to procurement of canned foods from 1942 packs, following a conference between officials of the War Department, the War Production Board and the Can Manufacturers Institute.

The development of the most suitable canned food containers, in view of the limited tin supply, is the subject of intensive experiments to provide an entirely satisfactory container using less of the critical material. The information thus obtained will be correlated with that gained by the distribution of food in special cans through regular commercial channels in this country.

A high percentage of canned foods now being procured by the Army is destined for overseas shipment. Conditions of transit, storage and exposure of such canned food may be extremely adverse, and until complete information is available on the suitability of electrolytic plate under such conditions, the present hot-dipped tin plate cans are desired for canned foods purchased by the War Department.

Canned foods packed in cans with ends of electrolytic tin plate, outside enameled, will be subjected by the Army Quartermaster Corps to thorough tests of shipment and storage under varying conditions.

### AMA Invites No. 10 Canned Apricot Offers

The Agricultural Marketing Administration on July 2 invited canners to submit to the Federal Surplus Commodities Corporation offers for the sale of canned apricots, solid pack, grade F, in number 10 cans. In making sales to FSCC pursuant to this announcement, canners must certify that growers received \$60 a ton for orchard run fruit delivered to the cannery. At the same time AMA revoked their announcement of June 24 in which it was stated that FSCC would accept all offers up to a total 840,000 cases for solid pack No. 10 apricots at \$8 a dozen provided the canner had paid growers \$70 a ton for orchard run fruit. Offers under the new announcement must be received by FSCC by July 6 for acceptance on July 9.

AMA-FSCC purchases of canned foods announced during the period June 19 to July 3 included 95,000 cases of tomato futures, 280,675 cases of dry beans, 300,429 cases of sardines, 75,000 cases of mackerel, 2,206,500 cases of evaporated milk and 59,423,888 pounds of pork products.

### Maximum Service With War-time Cans

"How the Canner May Obtain Maximum Service with War-time Cans" is the title of a 20-page booklet just published by the Can Manufacturers Institute. The Association cooperated in its preparation and printing and is distributing copies to all canners, and secretaries of State and commodity associations.

The foreword of the booklet points out that for the canning industry the war-time period has become one of transition from the type of container that has proved itself over the years to several kinds of metal containers offered in the interests of tin conservation as substitutes for the can made of hot-dipped tinplate. For example, Supplementary Order M-81-a stipulates that the ends of a certain proportion of the cans used for specified products shall be made of electrolytic tinplate and pretreated steel. The booklet furnishes information that will assist the canner to do his part in making these and other necessary container changes.

It contains recommended practices for the avoidance of external rusting, internal corrosion, and under- and over-filling, elimination of air before closing and for the achievement of adequate cooling. Among its recommendations are suggestions covering fill and exhaust, code marking, closing, open water-bath and retort operation, storage practices, and labeling. In general, the publication argues that canners should give emphasized attention to applying those precautions already known to them as well as the further safeguards the booklet points out in order to obtain the best service from the war-time cans.

### Trade Agreement With Peru Is Signed

The trade agreement between the United States and Peru which was signed on May 7, will become effective on July 28, the agreement having been proclaimed by the President of the United States and the President of Peru on June 29. Details of the agreement of interest to canners were published in the INFORMATION LETTER of May 16.

### Return Truck Load Order Again Postponed

The effective date of provision of General Orders ODT Nos. 3, 4 and 5 requiring certain trucks to carry return loads, has been postponed from July 1 to July 15, the Office of Defense Transportation announced June 29. This is the second postponement of the effective date of the return-load requirement, the first—from June 1 to July 1—having been reported in the INFORMATION LETTER for May 30.

Both postponements were issued to allow more time for a general revision of the orders governing trucks operated by common, contract, and private carriers in over-the-road service.

As originally drawn, the orders prohibited trucks from returning to the point of origin unless loaded to at least 75 per cent of capacity, considered the minimum efficiency standard for wartime operation of commercial vehicles in view of the rubber shortage and lack of new equipment.

Under the postponement orders, trucks may continue to return empty or partially loaded if no cargoes are available.

### Increase Expected in Quarterly Carloadings

Freight carloadings in the third quarter of 1942 are expected to be 4.6 per cent above actual loadings in the same quarter of 1941, according to estimates just compiled by the 13 Shippers' Advisory Boards and made public by the Association of American Railroads.

On the basis of these estimates, freight carloadings of 26 principal commodities will be 6,959,721 in the third quarter of 1942 compared with 6,653,849 for the same commodities in the corresponding period in 1941.

Among the expected increased shipments in the third quarter, the Shippers' Advisory Boards estimate a 9.3 per cent gain in shipments of canned goods, including all canned food products.

### Stocks and Shipments of Canned Tomatoes

Stocks of tomatoes in canners' hands on June 1, 1942, amounted to 1,255,867 cases compared with 4,031,140 cases on June 1, 1941, while shipments during May, 1942, were 827,987 cases compared with 2,142,500 cases shipped during May, 1941, according to an estimate by the Association's Division of Statistics, based on reports from about 96 per cent of the canners packing tomatoes during 1941, together with estimates for those not reporting.

The following table shows, in actual cases, by regions, the stocks in canners' hands on June 1, 1942, and June 1, 1941, and shipments during May, 1941, and 1942:

Region	Stocks—June 1		Shipments—May	
	1941	1942	1941	1942
	Cases	Cases	Cases	Cases
Northeast.....	211,290	106,684	94,900	39,161
Middle Atlantic.....	672,200	355,618	429,768	175,155
Mid-West.....	539,855	162,938	345,154	113,221
Tennessee-Kentucky.....	161,868		72,912	683
Osark Territory.....	984,200	18,914	524,535	25,104
Western.....	170,577	68,594	182,582	86,936
California.....	1,949,510	543,139	808,947	437,667
Southern.....	1,700		8,702	
Total U. S. ....	4,081,140	1,255,867	2,142,500	827,987

### NEW WALSH-HEALEY EXEMPTIONS

#### Secretary of War Proposes Freeing 9 More Canned Items from Section 1 Requirement

Exemption from the provisions of Section 1 of the Walsh-Healey Public Contracts Act is being considered for nine more canned food products, according to announcement from the Department of Labor, June 30. Such exemption, for a number of specified canned fruits and vegetables and for a period extending through December 31, 1942, already has been granted by the Secretary of Labor and was reported in the INFORMATION LETTER for May 23. The May 2 LETTER published the list of products affected.

The announcement covering the additional canned products took the form of a "Notice of opportunity to show cause," issued by the Division of Public Contracts of the Department of Labor, and stated that:

The Secretary of War having made written findings that the inclusion in contracts awarded on or before December 31, 1942, for canned fruits and vegetables of the varieties herein-after named of the representations and stipulations of Section 1 of the Walsh-Healey Public Contracts Act (49 Stat. 2036; 41 U. S. C. 35) will seriously impair the conduct of Government business.

Notice is hereby given to all interested parties that they have until July 8, 1942, in which to show cause, if any they have, why the Secretary of Labor should not grant an exemption from the provisions of Section 1 of the Walsh-Healey Public Contracts Act to permit the award of contracts during such period for the following varieties of canned fruits and vegetables without the inclusion of the representations and stipulations of that Section:

Apple Butter, canned  
Berries (all varieties), canned  
Cabbage, canned  
Cucumbers, canned  
Fruit Juices (all varieties), canned  
Kraut, canned  
Onions, canned  
Tomato Paste, canned  
Sweet Potatoes, canned

Briefs or telegraphic communications may be filed with the Division of Contracts on or before July 8. No form of brief is prescribed, but an original and four copies must be submitted.

### Stocks and Shipments of Canned Lima Beans

Stocks of canned fresh lima beans on June 1, 1942, amounted to 30,442 cases, as compared with 100,965 cases on May 1, 1942, and 300,648 cases on June 1, 1941, according to figures compiled by the Association's Division of Statistics. Details are shown in the following table:

Stocks:	Cases	
	June 1, 1942:	
Sold not shipped.....		16,055
Unsold.....		14,387
Total.....		30,442
May 1, 1942.....		100,965
June 1, 1941.....		300,648
Shipments:		
	During May 1942.....	70,523
During May 1941.....		(a)
August 1, 1941 to June 1, 1942.....		2,378,817

(a) Not available.

### FILL OF CONTAINER FOR SHRIMP

#### FSA Promulgates Final Order Effective Aug. 1 and Issues Inspection Regulations

The final order covering the standards of fill of container for wet pack shrimp and canned dry pack shrimp in non-transparent containers, under the Federal Food, Drug and Cosmetic Act, was promulgated by the Federal Security Agency to become effective August 1, 1942, and new inspection regulations were issued at the same time. Both were published in the *Federal Register* for July 2.

Reasons given for issuing a final order without the usual intermediate tentative order were the fact that no controversy arose from the recent hearings and the existence of the present emergency conditions. On these points the order had the following to say:

It is hereby found that no controversy with respect to the subject of the hearing exists between the persons who appeared at the hearing, and that issuance of a final order without prior issuance of a proposed order will promote the purposes of the Act.

It is further found that the standards prescribed by the foregoing regulation specify fills of container which are about 30 per cent greater in the case of dry pack shrimp, and about 20 per cent greater in the case of wet pack shrimp, than the fills now generally used; that tin plate is used in making nontransparent containers for canned shrimp and for many other canned foods produced in great quantity; that, due to war conditions, there exists a shortage of tin plate so serious as to constitute a condition of emergency, which makes imperative the efficient utilization of available supplies so as to meet as nearly as possible consumers needs for canned foods; that the annual packing season for canned shrimp closes about July 15 and a new packing season begins about August 1; and that this emergency necessitates that this order become effective not later than the beginning of the next shrimp packing season.

The order prescribes fill of container requirements in the following language:

**Section 36.3 Canned wet pack shrimp and canned dry pack shrimp in nontransparent containers—fill of containers: label statement of substandard fill.** (a) The standard of fill of nontransparent containers for canned wet pack shrimp is a fill such that the cut-out weight of shrimp taken from each can is not less than 64 per cent of the water capacity of the container, and, for canned dry pack shrimp (except that packed in the nontransparent cylindrical container which is 2 11/16 inches in diameter and 4 inches in height), is a fill such that the cut-out weight of shrimp taken from each can is not less than 60 per cent of the water capacity of the container. The standard of fill for canned dry pack shrimp packed in the nontransparent cylindrical container which is 2 11/16 inches in diameter and 4 inches in height is a cut-out weight of not less than 6 1/2 avoirdupois ounces of shrimp for each container.

Reference is made in the order to methods for determining water capacity and cut-out weights. The following paragraph from the order prescribes labeling procedure:

**Section 36.3 Canned wet pack shrimp and canned dry pack shrimp in nontransparent containers—fill of containers: label statement of substandard fill.** (b) If canned wet pack shrimp or canned dry pack shrimp, in nontransparent containers, falls below the applicable standard of fill of container prescribed in paragraph (a) of this section, the label shall bear the general statement of substandard fill.

The amended regulations for the inspection of canned shrimp are given in full in the order, and the following processing requirements, to compensate for the higher fill required, are specified:

**Section 155.08 Processing (a)** The closure of the can or other immediate container and the time and temperature of processing the canned shrimp shall be adequate to prevent bacterial spoilage.

(b) The following processes shall be the minimum employed for the containers indicated:

Kind of container	Liner	Size	Time	
			at 240° F.	at 250° F.
			Minutes	Minutes
Tin.....	1-piece	211 x 400	66	51
Tin.....	3-piece or no liner	211 x 400	66	51
Tin.....	3-piece or no liner	307 x 208	66	51
Tin.....	3-piece or no liner	307 x 400	75	56

Kind of container	Size	Time	
		at 240° F.	at 250° F.
		Minutes	Minutes
Tin.....	211 x 400	24	19
Tin.....	307 x 208	24	13
Tin.....	307 x 400	27	15
Tin.....	502 x 510	27	16
Glass.....	2 to 9 fl. oz. incl.	22	14

Section 155.12 of the order covering inspection fees, provides for increases in fees, because of the smaller number of containers that will result from the new fill requirements.

### PEA CROP CONDITION REPORTS

#### Information for Week Ending July 2 As Compiled By Division of Statistics

The following reports of the condition of the pea crop were received from canners and field men in the various reporting districts listed. The reporting districts are listed on the map entitled "Crop Reporting Districts—Peas for Canning" supplied to each pea canner last year. If any canner has not a copy of this map, the Association's Division of Statistics will be glad to furnish one on request.

**New York I.**—Pea prospect very good, yielding about 80 cases an acre.

**New York III.**—Early Sweets 75 per cent harvested with yields about 70 cases. Two days hot weather with thunder-showers is bunching harvesting of early, medium and late varieties.

**Ohio.**—Alaska pack finished with yields about 60 cases per acre. Sweets running from 70 to 90. Sweets about finished in western part of State. Considerable aphid damage in northern territory.

**Indiana.**—Pack completed with around 70 cases per acre for Alaskas; 45 to 50 for Sweets. Considerable acreage reported not harvested.

**Wisconsin II.**—Alaskas have averaged about 80 cases per acre. Some canners report estimates as low as 20 cases for late Sweets.

**Wisconsin III.**—Alaskas finishing this week. Average case yield with quality poor. Sweet prospects no better, due to excessive rains.

**Wisconsin IV.**—Alaska pack about one-half completed. Yields around 70 cases per acre and quality exceptionally

fine. Sweets look promising with no aphid. Situation much better than two weeks ago.

**Minnesota.**—Prospects on Sweets improved somewhat by cool, fair weather. Setting five to eight pods. Vine growth averaging 30 to 40 inches, prospects estimated at 100 per cent. Estimate start set for July 4. Aphid infestation reduced to a minimum. No dusting. Believe danger past. Root rot and bacterial blight still prevalent in some areas. Traces of virus showing up. Last Alaska yields were 100 per cent. Finished July 1. June rainfall totalled 3.45 or 1.26 below normal.

**Utah.**—Pea crop still looking good. Aphid damage did not materialize. Surprise yielding 75 to 90 cases per acre and good quality. Pack perfection just starting and crop still looks good for 130 cases average per acre. Weather satisfactory.

**Washington-Oregon I.**—Temperature for last four days around 100 degrees has hastened maturity. Yields running in excess 3,000 pounds per acre and peas ripening faster than can be handled by farmer and canner. Quality above average.

## WAR DEVELOPMENTS AFFECTING CANNERS

### Price Controls and Other Regulations Imposed on Products Used in Food Packing

During the week a number of governmental regulations were issued by various agencies, affecting products that are used in canning operations. Highlights of some of these are given briefly in the following paragraphs:

**Beef and veal** grading according to government quality specifications has been ordered by the Consumer Division of the Office of Price Administration for July 13, when the new price regulation setting ceilings on meat grades becomes effective. The present stamping system will be continued, but new letter grades will be inserted.

**Meat scraps and digester tankage** and the raw products from which they are made (dry and wet rendered tankage), will have a constant spread between their maximum prices through issuance of Amendment No. 1 to Maximum Price Regulation 74, as amended.

**Scrap rubber drive**, through which the Government hopes to ascertain the quantity of used rubber available for reclaim purposes, will be continued to July 10. Collections during the two-weeks' period when the public was requested to turn in its discarded or unneeded products at filling stations proved disappointing and an extension of the collection period was decided on.

**Truck trailers** for non-military use were no longer to be manufactured after July 1, according to a War Production Board order which prohibits manufacture of trailers with load capacity of 10,000 pounds or more except for certain designated military purposes. Restrictions of the order do not apply to third-axle attachments.

**Paper**, paperboard, paper products, and waste paper are removed from the inventory restrictions of Priorities Regulation No. 1 and all other WPB orders by Amendment No. 1 to General Inventory Order M-161.

### WPB Launching Program to Collect Used Cans

A tin can salvage campaign is scheduled to open July 13 in 36 cities, under auspices of the War Production Board's Bureau of Industrial Conservation. Collections of used cans, under municipal control, now are getting under way and from them a large recovery of steel and tin is expected through detinning processes. The cities designated represent about 47 per cent of the urban population and the cans collected there are expected to come close to present detinning capacity. According to the present program, residents of 104 smaller urban areas will be asked to begin collecting tin cans in September. Residents of these areas will be requested to store their collections until facilities for detinning them are available. The scrap collections starting July 13 apply also to industrial plants as well as private homes.

WPB is issuing press releases to newspapers detailing the reasons for the tin shortage and appealing to housewives to help solve the problem by aiding in the collections. Directions are being given them about cleaning the used cans and otherwise preparing them for collection.

### Fruit and Vegetable Market Competition

#### Carlot Shipments as Reported to the Agricultural Marketing Administration by Common Carriers

Supplies of snap and lima beans, tomatoes, and green peas on the fresh vegetable market for the week ending June 27, 1942, were smaller than for the corresponding week in 1941, but supplies of spinach were at the same level for the two years, according to the Agricultural Marketing Administration, as evidenced by carlot shipments.

Supplies of citrus fruits were larger for the week ending June 27, 1942, than for the same date a year ago.

The following table, compiled from statistics of the Agricultural Marketing Administration, gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

VEGETABLES	Week ending—			Season total to—	
	June 27, 1941	June 27, 1942	June 20, 1942	June 27, 1941	June 27, 1942
Beans, snap and lima.....	27	18	126	3,608	4,500
Tomatoes.....	1,599	1,571	1,811	11,147	13,990
Green peas.....	212	71	19	2,883	2,732
Spinach.....	2	2	1	5,084	6,050
Others:					
Domestic, competing directly.....	665	625	694	31,553	35,600
FRUITS					
	June 27, 1941	June 27, 1942	June 20, 1942	June 27, 1941	June 27, 1942
Citrus, domestic.....	2,327	2,710	3,081	120,742	133,040
Others, domestic.....	2,229	1,999	1,710	25,300	23,199

### Segregation of Tin Scrap is Extended

Segregation of tinned and detinned scrap for the use of detinning plants and copper producers was extended July 1 to counties in Kansas, Missouri and Texas by the Director of Industry Operations.

Tinned scrap is essential in the copper precipitation process and the order prohibits sales or shipments of this scrap outside the originating county except to a detinning plant or to a copper precipitation plant. Exceptions must be obtained by specific authorization of the Director of Industry Operations.

New plants have come into operation at Dallas and Houston, Texas, and Kansas City, Missouri, and the counties listed in the order, an amendment to M-24-a, are designed to feed these plants. The order previously applied only to certain counties in California.

### Priority Regulation No. 10 Is Amended

The War Production Board has amended Priority Regulation No. 10 to require the use of allocation classification symbols by wholesalers. This modifies the statement made in last week's INFORMATION LETTER relating to the exemption of the purchases of canned foods. Army and Navy and Lend-lease purchases of canned foods must carry the appropriate symbols. The symbols on such purchase orders, however, affect the symbols canners use on their purchase orders only insofar as the "purchaser's symbol" is concerned. No decision has been made as yet by WPB regarding the method of using the purchaser's symbol as the canner receives it from the Army and Navy. As soon as this point has been clarified by WPB, a detailed explanation will be given in the LETTER.

### Stocks and Shipments of Tomato Juice

Stocks of canned tomato juice in canners' hands on June 1, 1942, amounted to 2,318,433 cases as compared with 1,921,285 cases on the corresponding date in 1941. Shipments during May, 1942, were 1,093,473 cases as compared with 905,479 cases during May of last year. From August 1, 1941, to June 1, 1942, shipments totaled 17,292,734 cases, or over 5½ million cases more than were shipped during the corresponding period of the previous season.

The following table presents the stocks of canned tomato juice in canners' hands on June 1, 1942, by can sizes. These figures are based by the Association's Division of Statistics on reports from 95 per cent of the canners who packed tomato juice in 1941, together with estimates for the remainder.

Can name	Cases per case	June 1 stocks Cases
8½ Tall (including 8½ Short).....	48	43,023
No. 1 Picnic.....	48	28,635
No. 211 Cylinder.....	48	66,592
No. 300 (including all 300 cans from 407 to 412).....	48	230,473
No. 1 Tall.....	48	50,850
No. 303 Cylinder.....	24	269,476
No. 2.....	24	163,081
No. 2 Cylinder (including all 307 cans from 305 to 513).....	24	242,339
No. 3 Cylinder (including all 404 cans from 615 to 708).....	12	535,940
No. 10.....	6	404,280
Miscellaneous Tin.....	..	95,587
Glass.....	..	197,565
Total.....	..	2,318,433

### Army Building Lend-lease Storage Facilities

Construction of additional storage facilities costing approximately \$10,000,000 to accommodate Lend-lease equipment will be undertaken this summer in connection with the Army's depot-building program, the War Department has announced.

The request for the facilities was made by the Lend-lease Administration on the basis that the Army could do the work more cheaply and quickly by simply adding extra facilities to its own projected new depots, than by undertaking separate construction projects.

As a result, nine of eleven new war aid depots being built for the Army will be expanded to provide for the Lend-

lease equipment. The depots are under control of the General Depot Service, Services of Supply. The new construction, to be temporary-type, is expected to be completed in the early fall. It will provide a total of 18,000 carloads of open and closed storage for Lend-lease goods.

### Army Conducting Courses in Dietetics

The Army now is conducting special courses in dietetics for officers of the Sanitary Corps who will serve as advisors on food matters at Army posts, camps and stations, the War Department announced July 3. The classes are being held at the Army Medical Center in Washington, D. C.

The Sanitary Corps officers who attend the six-week courses are selected on the basis of their specialized knowledge and training in nutrition, biochemistry and physiology. Upon the completion of the course they will be qualified to advise Medical Department and Quartermaster Corps Officers in food procurement and preparation matters. In addition to special classes, designed to solve the problem of obtaining food for the tactical units of the Army, there will be instruction in the food habits peculiar to certain sections of the country and the methods to be followed in order to prepare menus that will combine proper nutritional values with these traditional foods.

### Higher Preference Rating for Milk Processors

Processors of dairy products are assigned higher preference ratings for maintenance and repair materials, by Amendment No. 2 to General Preference Order P-118, recently issued by the Director of Industry Operations. In addition, the order is extended 90 days to September 30, 1942. The purpose of the amendment is to avert spoilage of the existing large milk production, and will aid approximately 37,000 processors, it is stated by the War Production Board.

Under the amendment, any maintenance and repair needs are assigned an A-1-j rating. In the original order, materials for emergency maintenance and repair were assigned an A-3 rating, and for normal maintenance and repair, A-3. The A-3 rating remains available for operating and replacement material. The amendment also eliminates the necessity of a telegraphic report to WPB when the higher rating is applied.

The higher rating will make it possible for manufacturers of dairy products to obtain such items as bronze bushings, tinned copper sanitary pipe, nickel alloy sanitary fittings, pump impellers, small brass valves, and motor rewinding. Under the original order, the emergency rating could not be used to purchase such items.

The Dairy Section of WPB said that the distinction between replacement and repair materials is important because the ratings are different, and replacement orders must receive prior WPB approval before the A-3 rating can be applied. For example, when a worn out part needs to be replaced, the material required is considered to be repair, and therefore is assigned an A-1-j rating. On the other hand, when a worn out machine is replaced with a whole new machine, the material required is considered to be a replacement, and therefore, after approval by WPB, is assigned an A-3 rating.